**Post-budget memorandum to Government**

5281. SHRI K.M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received tone Post-Budget Memorandum urging bovcrnment to examine its tax laws in a dispassionate manner to boost the capital market;

(b) whether such Memorandum also suggested raising the exemption unit for personal taxation to Rs. 50,000;

(c) if so, the details thereof;

(d) whether Government propose to consider the proposals and suggestions made in the Memorandum; and

(e) if so, the detaita thereof and tf not, -Jne reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) Yes, Sir.

(c) A large number of memoranda have been received suggesting increase in the exemption limit for the personal taxation to Rs. 50,000.

(d) and (e) The post-budget memoranda are examined as a part of the budget exercise.

**Revival Sen—M by BIFR**

5282. SHRI DIFANKAR MUKHERJEE: WiB the Minister of FINANCE be pleased to state:

' (n) whether, in the BIFR hearing held on 20th September, 1994 in regard to Tyre Corporation of India Limited (TC3L), afl the Banks including the Lead Bank-Allahabad Bank, were agreeable to j'Tbe provisions of the revival scheme formulated by BIFR;

(b) whether, inspite of the above, after the notification of the draft revival scheme by BIFR on 30th December, 1994 under Section 19(2) read with Section 19(1) of SICA, 1985, ABahabad Bank had put some new conditkmalities to BIFR in February, 1995;

(c) if so, whether the Bench in its hearing on 6th March, 1995 had strongly reprimanded the lead Bank for such a reversal of stand affecting the revival of a sick public sector company; and

(d) what action has been taken by the Finance Ministry to ensure that Banks do not change their stand to jeopardise the revival process through BIFR?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) to (c) The Board for Industrial and Financial Reconstruction (BIFR) has' reported that in its hearing on 20.09.1994, there was broad agreement amongst all concerned parties (including banks) on the relative provisions in the revival package prepared by the operating agency for Kakinara and Tangra units of the Tyre Corporation of India Ltd. (TCIL). Accordingly, a draft revival scheme for Kakinara and Tangra units of TCIL, as two independent profit centres, was circulated to all concerned vide BIFR's Order dated 13.12.1994 for consent as required under Section 19(2) read with Section 19(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). In its hearing held on 06.03.1994, BIFR while taking note of Allahabad Bank's suggestions, *inter elia* observed that as the lead bank, the Allahabad Bank had to release need-based working capital on the basis of a single window concept and that banks can ask for continuance of existing guarantees but not new guarantees. The BIFR also observed that it was necessary for the banks to adopt a more pragmatic.

positive aad hcapfel atrJtadc. BIFR reserved its orders aad gave ilher titan-mar aha, to Mahslisil Bank to hold a

various sauna to thai acod bated working capital ls made available to bock the Kaknara aad DM Taagra suits as per the basis' at the Issarng.beld oa 20.M.lf94 aad tho pisHslow m the *aft revival irtiiwi

(d) BIFR has further reported that Allahabad Baal has *timet* (adorned it that the beaks have agree J in rxiadpie to perticipele ia the package oa the tenas aad conditions envisaged ia the package subject to GoveraaMat of Iadie tgwthtg to: (i) participate ia the package oa tern* sad oosdftioaa envisaged ia the scheme sad provide reads to the company sanuhaneouiry, (ii) provide a tana ban of Rs. 20 croros at a rata of iaterest of
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free mads so as la asanove the debt service coverage ralia (DSCR) to the miainan level of 1.33, (iH) provide <^naoat gaaraslat far the entire coaiadtmeat of banks mrwiMng principal and interest; aad (k) raatsnmh the past cash loaees of TClL so mat the same may be utilised towards raaotartsatioe of the
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It may alto be added that under Section 19(2) of S1CA, a Kambtmatkm scheme requiring resets, soaetssioas or

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their ruamsrritl judasmeat. Soctkm 19(3) of OCA provides that" once a
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by the BIFR for revival of a skk industrial company, it is btndng oa al concerned, inchsdmg toe banks. Section 33 of SICA vasts wrBrscnf powers with BIFR to deal with cases of violation of say sanctioned scheme.

**Aetna aganat brohen of RBI**

52S3. SHRI V. OOPALSAMY: Will the Minister of FINANCE be pleased to-state:

(a) the total number of broken, sob-brokers against whom SEBI bat taken action during the last three years, year-win aad exchange-wise;

(b) whether SEBI is ptaaaiag to take aetata against certain registrars of am*. nnpaniss aad other for violation o^. rales, etc; end

(c) if so. the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHBKARA MURTHY): (a) The total somber of stock-brokers against whom SEBI has taken action daring the hat three years is gives in the statement. (see below) SEBI has not takes action against any sub-broker daring das period.

(b) aad (c) What SEBI hm initiated' enquiry proceodngs aganat two registrars
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has baaed notices to tn othan asking them to show cow* n to why their aapBcatioaa tor renewal of laghsjation shosM not bo rejected. SEBI hn hnmchad srossmtca against fosr

to fear other ctntitahi. SEBI he*,. initiated enquiry proceedings against nine Merchant Bankers for various defaults fat accordance with the provisions of SEBI Merchant Bankers (Regulations), 1992.